

Section 106

Return of Final Meeting in a Creditors' Voluntary Winding Up

Pursuant to Section 106 of the Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

00286134

Name of Company

Adam Eastwood & Sons Limited

I / We

Paul Stanley, 340 Deansgate, Manchester, M3 4LY

Paul W Barber, 340 Deansgate, Manchester, M3 4LY

Note The copy account must be authenticated by the written signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~/summoned for 13 January 2016 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, and that ~~the same was done accordingly~~ no quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was duly ~~held on~~/summoned for 13 January 2016 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that ~~the same was done accordingly~~ no quorum was present at the meeting

The meeting was held at 340 Deansgate, Manchester, M3 4LY

The winding up covers the period from 13 November 2013 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

Signed  Date 13 January 2016

Begbies Traynor (Central) LLP  
340 Deansgate  
Manchester  
M3 4LY

Ref AD098CVL/PS/PB/DA/RJS/STW

THURSDAY



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A07 14/01/2016 #85  
COMPANIES HOUSE

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## **Adam Eastwood & Sons Limited (In Creditors' Voluntary Liquidation)**

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Final report and account of the liquidation pursuant to Section 106 of the Insolvency Act 1986 and Rule 4.126 of the Insolvency Rules 1986

Period: 13 November 2013 to 13 January 2016

### **Important Notice**

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1 INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Adam Eastwood & Sons Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Insolvency Act 1986 on 13 November 2013
"the liquidators", "we", "our" and "us"	Paul Stanley and Paul W Barber of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

This is our final report and account of the liquidation and should be read in conjunction with the progress report to creditors dated 8 January 2015

## 2. COMPANY INFORMATION

Trading name(s)	Eastwood Construction
Company registered number	00286134
Company registered office	C/O Begbies Traynor, 340 Deansgate, Manchester, M3 4LY
Former trading address	Burns Lane, Warsop, Mansfield, NG20 0QG

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	13 November 2013
Date of liquidators' appointment	Peter A Blair- 13 November 2013 Richard A B Saville- 13 November 2013 Paul Stanley- 19 May 2015 Paul W Barber- 19 May 2015
Changes in liquidator (if any)	On 19 May 2015 Paul Stanley and Paul W Barber of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY replaced, Peter A Blair and Richard A B Saville of Begbies Traynor (Central) LLP, 6 Castlebridge Office Village, Castle Marna Road, Nottingham, NG7 1TN

## 4. PROGRESS SINCE APPOINTMENT

Attached at Appendix 1 is our abstract of receipts and payments for the period from 13 November 2013 to 13 January 2016

### Receipts

#### *Cash at Bank*

This relates to monies held in the company's former bank account held with National Westminster Bank plc

#### *Rates Refund*

This amount relates to two business rates refunds that were received from Mansfield District Council

#### *Bank Interest Gross*

A sum of £0 76 was received in respect of monies held in the liquidation account at Allied Irish Bank

#### *Contribution towards fees*

A sum of £15,000 was received from the Sir John Eastwood Foundation as a contribution towards the liquidation costs in this case

#### *VAT*

A VAT repayment for £2,319 93 was received from HM Revenue & Customs

#### *Vodafone Rental*

This relates to surplus electricity charges paid back to the company by Vodafone Limited

#### **Payments**

##### *Statement of Affairs Fee*

The sum of £6,000 plus VAT has been received in respect of the statement of affairs fee for assisting the director with placing the Company into liquidation

##### *Office Holders Fees*

The sum of £10,623 46 plus VAT has been received against Liquidators time costs in dealing with the Liquidation

##### *Office Holders Expenses*

The sum of £215 23 plus VAT has been received in respect of out of pocket expenses incurred by the Liquidators

##### *Accountants Fees*

The sum of £100 plus VAT has been paid to Barnett & Turner in respect of their fees incurred in producing the last VAT return for the company

##### *Agents/ Valuers Fees*

This relates to the payment made to Chesterton Humberts in respect of their fees incurred in valuing the company's premises at Burns Lane and Church Street, Warsop, Nottingham

##### *Legal Fees*

The sum of £1,015 plus VAT has been paid to Fraser Brown, solicitors, of Nottingham in respect of legal advice given in respect of the legality of the security held in favour of Sir John Eastwood Foundation

Harrop White Vallance & Dawson Solicitors of Mansfield have been paid the sum of £826 plus VAT in relation to their professional charges in connection with the sale of land at Church Street, Warsop

Harmans solicitors have been paid the sum of £865 plus VAT in relation to the provision of legal services for the Trustees of Warsop Youth Club in connection with the purchaser of premises from the liquidators

The sum of £300 plus VAT has been paid to Berrymans Lace Mawer in relation to their professional fees incurred in this case

##### *Storage Costs*

The sum of £323 50 has been incurred in respect of the liquidators' archivist's costs incurred in attending the site where the company's books and records were located and logging such A further amount of £33 60 has also been incurred in storing the company's books and records

##### *Statutory Advertising*

An amount of £253 80 plus VAT has been paid to Courts Advertising relating to advertising the creditors meeting and also the liquidators' appointment A further amount of £84 60 plus VAT has been paid to advertise the final meeting

##### *Bank Charges*

This relates to small charges levied on the liquidation bank account

## 5 OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment based upon the information detailed in the director's statement of affairs, and the outcome for creditors, are as follows

### **Secured creditors**

The Trustees of the Sir John Eastwood Foundation held three legal charges over the company's property in respect of the amount outstanding to them of £920,380, located at -

- 32 & 32A Church Street, Warsop
- Car Park at Burns Lane, Warsop
- Land & Buildings – North West Side of Church Street, Warsop
- 21 Burns Lane, Warsop
- 28-30A Church Street, Warsop
- Premises/ Yard at Burns Lane, Warsop

These properties have all been surrendered back to this secured creditor but, regrettably, there was no surplus available for the remaining creditors in this case as the independent professional property valuer mentioned above, instructed by the liquidators, assessed the total value at less than the loans outstanding

After further investigation it appears that the strip of land at Normanton Close, Edwinstowe as mentioned in the former liquidators' progress report, was surrendered back to the secured creditors along with the above

### **Preferential creditors**

There are no known preferential claims

### **Unsecured creditors**

Unsecured creditors were estimated at £170,202

As detailed in our first progress report, we confirm that no dividend is available for unsecured creditors as the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation. Consequently we have not taken steps to formally agree the claims of unsecured creditors

### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- 50% of the first £10,000 of net property,
- 20% of net property thereafter,
- Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or

- the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

## 6 REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9)

Our time costs for the period from 13 November 2014 to 6 November 2015 amount to £7,599 which represents 37 3 hours at an average rate of £203 73 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- Table of time spent and charge-out value for the period 13 November 2014 to 6 November 2015
- Begbies Traynor (Central) LLP's policy for re-charging disbursements
- Begbies Traynor (Central) LLP's charge-out rates

We have drawn the total sum of £10,623 46 plus VAT on account of our remuneration, against total time costs of £21,649 incurred since the date of our appointment to 6 November 2015. In addition to the time costs information disclosed at Appendix 2 for the period since our last progress report, our previous progress report contained details of the time costs we had incurred as at the date of that report. Our unbilled time costs of £11,025 54 have been written off as irrecoverable. However, we reserve the right to recover our unbilled time costs in the event that circumstances subsequently permit us to do so.

We have also drawn disbursements in the sum of £215 23

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred since our last progress report is attached at Appendix 3

## 8 UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable

## 9. OTHER RELEVANT INFORMATION

### Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

### Investigations completed and action taken

As explained in our 1<sup>st</sup> progress report, we have been investigating the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

### Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

## 10. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on 13 January 2016 in accordance with Section 106 of the Act. Formal notice of the meetings and a proxy form are enclosed with the covering letter accompanying this report.

The meetings are a formal requirement of liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office.

Although the meetings are rarely attended, if any creditor wishes to attend the meeting, it would assist us in making the necessary administrative arrangements if you would inform the case manager by telephone. This is particularly important for any creditor wishing to attend who considers that the proposed venue is inconvenient. In that event we will consider reconvening the meetings at an alternative venue to be agreed. Any such request should be made within the next seven days so that we may inform all creditors of the revised arrangements. Alternatively, if you wish a proxy to attend on your behalf, the proxy form should be returned to our office by 12 noon on the business day before the meeting. Please note that we will not accept receipt of completed proxy forms by email. Submission of proxy forms by email will lead to the proxy being held invalid and the vote not cast.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, David Archer in the first instance, who will be pleased to assist.



**Paul Stanley**  
Joint Liquidator

Dated 13 January 2016

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period 13 NOVEMBER 2013 to 13 JANUARY 2016

Statement of Affairs		From 13/11/2014 To 13/01/2016	From 13/11/2013 To 13/01/2016
985,000 00	<b>SECURED ASSETS</b>		
	Freehold Land & Properties	NIL	NIL
		NIL	NIL
	<b>COSTS OF REALISATION</b>		
	Legal Fees	NIL	NIL
	Agents/Valuers Fees	NIL	NIL
		NIL	NIL
(920,379 73)	<b>SECURED CREDITORS</b>		
	Trustees of the Sir John Eastwood Fou	NIL	NIL
		NIL	NIL
10,000 00	<b>ASSET REALISATIONS</b>		
2,341.77	Land at Normanton Close, Edwinstowe	NIL	NIL
	Cash at Bank	NIL	4,630 45
	Rates Refund	312 99	455 09
	Bank Interest Gross	0 76	0 76
	Contribution Towards Fees	NIL	15,000 00
	VAT	NIL	2,319.93
	Vodafone Rental	NIL	519 04
		313 75	22,925.27
	<b>COST OF REALISATIONS</b>		
	Statement of Affairs Fee	NIL	6,000 00
	Office Holders Fees	7 623 46	10,623 46
	Office Holders Expenses	127 48	215 23
	Accountants Fees	NIL	100 00
	Agents/Valuers Fees (1)	NIL	2,250 00
	Legal Fees (1)	NIL	3,006 00
	Storage Costs	33 60	357 10
	Statutory Advertising	84 60	338.40
	Bank Charges	22.38	35.08
		(7,891 52)	(22,925.27)
(18,889 23)	<b>UNSECURED CREDITORS</b>		
(150,000 00)	Trade Creditors	NIL	NIL
(1,313 00)	Loan - Sir John Eastwood Foundation	NIL	NIL
	Gift Aid due to the Chanty	NIL	NIL
		NIL	NIL
(129,190 75)	<b>DISTRIBUTIONS</b>		
	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(222,430 94)		(7,577 77)	0.00

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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value for the period from 13 November 2014 to 6 November 2015

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**STATEMENT OF EXPENSES**

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Bond	Insolvency Risk Services	7 20	7 20	0
Storage Costs	Archive Solutions & Restore Plc	53 88	53 88	0
Room Hire	Begbies Traynor Group	100	100	0

## BEGBIES TRAYNOR CHARGING POLICY

### INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance<sup>2</sup> indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> *ibid* 1

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

#### BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Manchester office as at the date of this report are as follows

Grade of staff	Charge-out rate (£ per hour) 1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

SIP9 Adam Eastwood & Sons Limited - Creditors Voluntary Liquidation - 55AD098.CVL : Time Costs Analysis From 13/11/2014 To 06/11/2015

Staff Grade	Partner	Director	Sr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average Hourly Rate £
General Case Administration and Planning	0.5			3.3						3.8	1,072.00	282.11
Administration				0.8		0.1				0.9	229.50	255.00
Total for General Case Administration and Planning	0.5			4.1		0.1				4.7	1,301.50	278.91
Compliance with the Insolvency Act, Rules and best practice												0.00
Appointment												0.00
Banking and Bonding				0.8		0.2			5.7	8.7	874.00	130.45
Case Closure				3.8			11.5			15.1	2,506.50	165.99
Statutory reporting and statement of affairs			7.0							7.0	2,170.00	310.00
Total for Compliance with the Insolvency Act Rules and best practice			7.0	4.4		0.2	11.5		5.7	28.8	5,550.50	192.73
Investigations												0.00
CCDA and Investigations												0.00
Total for investigations												0.00
Realisation of assets												0.00
Debt collection												0.00
Property business and asset sales												0.00
Retention of Third party assets												0.00
Total for Realisation of assets												0.00
Trading												0.00
Trading												0.00
Total for Trading												0.00
Dealing with all creditors claims (including employees), correspondence and distributions				1.4						1.4	371.00	265.00
Others												0.00
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees) correspondence and distributions				1.4						1.4	371.00	265.00
Other matters which includes meetings, tax, litigation pensions and travel												0.00
Meetings												0.00
Other												0.00
Tax				0.4			2.0			2.4	378.00	158.87
Litigation												0.00
Total for Other matters			0.4			0.3	2.0		5.7	2.4	378.00	158.87
Total hours by staff grade	0.5		7.0	10.3		0.3	13.5			37.3		
Total time cost by staff grade	197.50		2,170.00	2,729.50		52.50	1,822.50		827.00	7,599.00		
Average hourly rate £	395.00	0.00	310.00	265.00	0.00	175.00	135.00	0.00	110.00		203.73	
Total fees drawn to date £											7,000.00	